Measures for Enhancing Tax Collection

2721. SHRI RAJU PARMAR:
SHRI BHAGATRAM MANHAR:
SHRI K.B. KRISHNA MURTHY:
SHRI C. RAMACHANDRAIAH:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "More tax surveys, scrutiny likely as collection dip" appearing in the 'Economic Times', New Delhi dated 24th September, 2002;

(b) if so the details thereof;

(c) whether the income tax department has been asked by the Central Board of Direct Taxes (CBDT) to increase the income tax surveys after unimpressive figures of tax of collection for the period ending September, 2002; and

(d) if so, what are the reasons for this step that will amount to harassment to the genuine tax payers in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) Yes sir.

(b) The guidelines for Selection of Cases for Scrutiny are issued by CBDT annually and this has been similarly done this year as well. The norms for Selection of Cases for Scrutiny vary from Year to Year. Scrutiny is done for test checking whether the Income is being correctly declared as well as for creating adequate deterrence effect.

(c) No such Instruction has been issued by the Central Board of Direct Taxes.

(d) Does not arise in view of reply of para (c) above.